

PARAMEDIC STAFFING AND COMPLIANCE SERVICES AGREEMENT

THIS PARAMEDIC STAFFING AND COMPLIANCE SERVICES AGREEMENT ("Agreement") is by and between Crete Area Medical Center (the "Hospital"), a Nebraska nonprofit corporation located in Crete, Nebraska and City of Crete Fire & Rescue ("Ambulance Service"), a city-owned and operated ambulance service, also located in Crete, Nebraska.

RECITALS

1. Ambulance Service is working towards certification as an ALS-certified transfer ambulance service. Ambulance Service requires additional qualified personnel to achieve and maintain ALS certification and to provide transfer services to the community in a licensed ALS transfer ambulance.
2. Hospital is an acute general hospital which employs paramedics qualified to staff ALS certified transfer ambulance services under state law.
3. As a benefit to the Crete community, Hospital and Ambulance Service have agreed to cooperate in providing the staffing necessary to maintain ALS certification and to provide transfer services as needed by the community. To this end, Hospital agrees to provide staffing to Ambulance Service according to the terms of this Agreement.

NOW, THEREFORE, the parties agree:

1. **Responsibilities of Hospital.**

- a. **Paramedic Staffing.** Hospital shall maintain a paramedic on call 24 hours per day, 7 days per week to attend patients when Ambulance Service provides transfer services. Hospital will employ the paramedic while providing services to Ambulance Service under this Agreement. As employees of Hospital, Hospital will be responsible to pay the paramedic's compensation, provide benefits, pay the cost of employment-related taxes, workers' compensation coverage, and provide professional liability insurance in the amounts specified in Paragraph 7 below.
- b. **Compliance Assistance.** Hospital shall furnish personnel necessary to provide assistance to Ambulance Service's in its compliance with ALS transfer ambulance certification requirements. Ambulance Service shall cooperate with Hospital as necessary to effectuate Hospital's assistance with this compliance function.

2. **Responsibilities of Ambulance Service.** Ambulance Service shall furnish the emergency vehicle, fuel, an EMT, a driver and all necessary equipment and supplies to enable the paramedics provided by Hospital to perform their responsibilities under this Agreement. All personnel provided by Ambulance Service shall be volunteers or employees of Ambulance Service and Ambulance Service shall be responsible to pay any, compensation, benefits, employment-related taxes, and workers' compensation coverage. Ambulance Service shall be responsible for general

commercial liability and professional liability insurance for Ambulance Service and the volunteers/employees of Ambulance Service in the amounts specified in Paragraph 7 below.

3. **General Conditions.** The following general conditions govern the parties' performance under this Agreement:

- a. **Records.** All records of Ambulance Service related to transfers are the responsibility and property of Ambulance Service, including responsibility for assuring that all records are complete and accurate as required by law and for Medicare or other third-party reimbursement. The parties acknowledge that the paramedic furnished by Hospital hereunder will complete the NARSIS form for each patient transport.
- b. **Certification.** Ambulance Service shall maintain current certification as an ALS-certified emergency medical service provider in the state of Nebraska.
- c. **Confidentiality and Privacy.** The parties agree to maintain the confidentiality of patient information and clinical records in accordance with applicable policy and governing law. This shall include without limitation, adhering to policies and procedures adopted by Hospital to comply with final rules under the Health Insurance Portability and Accountability Act ("HIPAA") governing the privacy, security, and use of protected health information.
- d. **Compliance.** The parties agree to comply with all applicable federal and state regulations, including, but not limited to, the requirements of the federal fraud and abuse statute, codified at 42 U.S.C. § 1320a-7b, as amended, and relevant regulations thereto. If applicable to this Agreement, Hospital agrees to make available upon request of the Secretary of Health and Human Services or the Comptroller General of the United States or any other duly authorized representative, the contracts, books, documents, and records that are necessary to certify the nature and extent of the cost associated with this Agreement for a period of four (4) years from completion of all services provided under this Agreement, pursuant to Section 1861 (v)(1)(I) of the Social Security Act.

4. **Reimbursement.**

- a. **Service Fee.** Ambulance Service shall pay Hospital the sum of (\$29.15) per hour, for each hour of actual service provided by a Hospital-employed paramedic under this Agreement as billed in quarter hour increments, with a two hour minimum guarantee.
- b. **On Call Fee.** Ambulance Service shall pay Hospital the sum of (\$1,456) per month for the 24 hour per day, 7 day per week on call availability of a paramedic to provide the services described hereunder.

Hospital shall submit an itemized monthly statement to Ambulance Service for all services rendered during the preceding month, and Ambulance Service shall pay Hospital within thirty (30) days after receipt of such invoice. Hospital may increase the above fees annually on June 1 of each year, and will provide Ambulance Service with notice of such increase.

5. **Billing.** Ambulance Service shall have the sole right and sole responsibility to bill the patient, insurer and/or other third party payor for all services provided pursuant to this Agreement. Hospital shall not bill any patient or third party for any services rendered under this Agreement.

6. **Term and Termination.** The term of this Agreement shall be one (1) year, commencing June 1, 2009 and terminating May 31, 2010. This agreement shall be automatically renewed for successive one-year renewal terms thereafter, unless terminated as provided below. Notwithstanding the stated term, this Agreement may be terminated as follows:

- a. **Without Cause.** By either party, without cause and without penalty, upon giving not less than ninety (90) days' prior written notice to the other party, specifying the effective date of termination; or
- b. **Supervening Law.** By either party upon not less than ten (10) days' prior written notice to the other party specifying the date on which termination will become effective in the event of any action or threatened action by local, state, or federal governmental or accrediting bodies, or any opinion by legal counsel to the effect that any provision of state or federal law or regulation creates a serious risk of assessment, sanction, penalty, or other significant consequence to the party giving such notice; or
- c. **With Cause.** By either party in the event of breach by the other party, upon giving the other party not less than thirty (30) days' prior notice of termination in writing specifying the alleged breach and the date on which termination will be effective; provided that, in the event of termination for cause under this subparagraph, the party receiving notice shall have the notice period in which to correct or cure the alleged breach or default to the reasonable satisfaction of the party giving notice; or
- d. **ACLS Certification.** By Hospital immediately in the event Ambulance Service fails to maintain certification as an ACLS certified transfer ambulance service.

7. **Professional Liability Insurance and Limitation on Liability.** Each party shall maintain professional liability insurance coverage with minimum limits of \$500,000 per claim, \$500,000 annual aggregate. If a party is unable to maintain professional liability insurance with such minimum limits, the party shall immediately notify the other party. If, at any time after termination of this Agreement, but prior to the expiration of any statute of limitations period that might apply to any acts or omissions of a party occurring during the term of this Agreement, a party shall cease to maintain the liability insurance required by this Paragraph 7, the party shall purchase from an insurance carrier a tail policy covering acts or omissions occurring during the term of this Agreement as to which claims may then still be asserted. The tail policy shall be purchased in commercially reasonable amounts. The obligations contained in this Paragraph 7 shall survive the termination of this Agreement. Upon request, either party shall provide the other with proof of such insurance and such tail coverage. Further, each party agrees to accept and is responsible for its own acts and omissions in providing services under this Agreement, as well as those acts or omissions of its employees and agents and nothing in this Agreement shall be construed as placing any responsibility for such acts or omissions onto the other party.

8. **Independent Contractor.** The parties to this Agreement are independent contractors to one another and nothing in this Agreement shall be deemed to create a relationship of principal and agent between the parties. Additionally, nothing in this Agreement shall be construed to create an employer/employee, master/servant or partnership/joint venture relationship between the parties. Each party shall be exclusively responsible for selecting, supervising and compensating its own employees and/or representatives in the performance of their responsibilities under this Agreement. Neither party shall have the authority to bind the other or to transact business in the name of the other nor to make representations or promises on behalf of the other except as it is expressly granted under this Agreement.

9. **No Intent to Induce Referrals.** There is no Agreement, express or implied, between Hospital and Ambulance Service governing the referral of patients or business. Both parties are expressly authorized, encouraged, and required to make all judgments regarding referrals solely on the basis of the patient's demonstrated clinical needs and the qualifications of available services and agencies.

10. **Treatment Policies.** Ambulance Service agrees to abide by Hospital's treatment policies and specifically agrees to: (i) provide all necessary emergency diagnosis and care strictly without regard to ability to pay; (ii) provide services to Medicare, Medicaid and other public program participants without discrimination; and (iii) provide all necessary services without regard to race, color, sex, age, handicapping condition, or other factors unrelated to the patient's need for services and Ambulance Service's ability to provide such services, but always subject to Ambulance Service's and paramedic's medical judgment about the clinical need and appropriateness of services.

11. **No Exclusion.** Both parties hereby represent and warrant that they have not at any time been excluded from participation in any federally funded health care program, including Medicare and Medicaid. Both parties hereby agree to immediately notify the other party of any threatened, proposed or actual exclusion from any federally funded program, including Medicare and Medicaid. In the event that either party is excluded from any federally funded health care program during the term of this Agreement, or if at any time after the effective date of this Agreement it is determined that either party is in breach of this paragraph, this Agreement shall, as of the effective date of such exclusion or breach, automatically terminate.

12. **Notices.** Any notice required to be given by this Agreement shall be sufficient if communicated orally or in writing and, if in writing, either hand delivered or mailed by United States Mail, postage prepaid, or by telefax or other written means designed to come to the attention of the addressee promptly. Notice shall be given as follows, or at such other address designated in writing by the parties:

If to Hospital:
Crete Area Medical Center
2910 Betten Drive
P.O. Box 220
Crete, Nebraska 68333
Attention: CEO

If to Ambulance Service:

13. **Miscellaneous.** The following miscellaneous provisions shall be in effect throughout the term of this Agreement:

- a. **Amendment.** No amendment, modification, or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed by both parties.
- b. **Entire Agreement.** This Agreement represents the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior oral or written agreements or understandings with respect to the matters provided for herein.
- c. **Assignment.** This Agreement may not be assigned or transferred, nor may any of the duties or responsibilities be assigned or transferred except by written agreement of both parties.
- d. **Binding Effect.** All terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto, and their heirs, legal representatives, successors and permitted assigns.
- e. **Governing Law.** This Agreement shall be interpreted, construed and governed according to the laws of the state of Nebraska.
- f. **Interpretation.** This Agreement is the result of negotiation between the parties, and no ambiguity herein shall be construed against either party because of that party's role in drafting this Agreement.
- g. **Entire Agreement.** This Agreement, together with any exhibits or schedules hereto, constitute the entire agreement between the parties as to the subject matter hereof, and replaces all prior written and oral statements and understandings. To the extent that any exhibit or schedule contains express provisions which are inconsistent with any term of this document, the express provisions of the schedule or exhibit shall control.
- h. **Copies/Signatures.** A fully-executed facsimile or electronic copy of this Agreement shall be treated as an original Agreement and signatures may be made in counterparts to the Agreement.
- i. **Recitals.** The recitals are intended to describe the intent of the parties and the circumstances under which this Agreement is executed and shall be considered in the interpretation of this Agreement.
- j. **No Legal Disability.** Each party represents that its execution and performance of this Agreement will not violate any term, covenant or understanding with any other person or entity or place such party in breach of any contractual or legal obligation to a third party.

- k. No Third Party Beneficiaries. This Agreement is executed for the benefit of the named parties only. Nothing in this Agreement or in the negotiation of this Agreement shall have the effect of conferring nay rights or expectations on any third party. No one other than a party to this Agreement or a party's permitted successor or assign shall have the right to enforce any covenant, term or condition in this Agreement.

IN WITNESS WHEREOF, the parties have executed, in duplicate, this Agreement as of the date set forth below.

CRETE AREA MEDICAL CENTER

By: _____

Carol Friesen

Its: _____

President & CEO

Date: _____

DOCS/910380.4

CITY OF CRETE FIRE & RESCUE

By: _____

Its: _____

Date: _____